

Little Hoover Commission
August 23, 2001 Hearing

On behalf of the Federation for American Immigration Reform, I want to thank the members of the Little Hoover Commission for inviting us to testify before this hearing today. Needless to say, it is in everybody's interest to see that California's immigrant population is self-reliant and productive.

The Federation for American Immigration Reform, is a Washington, DC based 501(c) 3 lobbying organization. FAIR lobbies for reduced legal immigration and enforcement of our nation's immigration laws to eliminate illegal immigration. We have more than 20,000 members in the State of California. For our purposes we presume that the Commission's reference to "immigrants" refers to legal immigrants to our country.

Should the State be a proactive, lead partner with counties and community organizations by directly providing services to immigrants? Should the state create an entity such as an Office of Immigrant Assistance to provide specialized services to immigrants, such as facilitating access to state programs?

The initial premise of the Commission's study of immigrant integration and self reliance admits that too many immigrants are not integrating and becoming self reliant in California's society and economy. And, it belies the current conventional wisdom that the large numbers of immigrants, both legal and illegal are a boon to California. However, examining the sheer number of immigrants that have come to California in the past twenty years, and the number who are projected to arrive in the future, explains, in part, why we are grappling with these very difficult issues. In addition, the very low education levels and skill levels of many immigrants to California, at a time when the needs of our economy demand highly trained individuals, further illustrates why so many immigrant families in California are mired in poverty.

While the State of California obviously cannot make its own immigration policy, as the nation's most populous state, its voice must be listened to in Washington. It is clear, given the important issues we are here discussing, that reducing immigration, and placing a greater emphasis on skills in selecting legal immigrants, would go a long way toward alleviating the economic dependence and alienation among the immigrant population.

Reducing the number of immigrants from the last decade's record influx will certainly take the competitive economic pressure off the most recent arrivals and give them a chance to succeed. Current high levels of legal and illegal immigrants provide an annual torrent of competition for our most recent immigrant arrivals, not to mention low income American workers.

If the State of California lobbied the Federal Government in Washington, D.C., to reduce legal immigration to more traditional levels, we would have a more pro-immigrant policy than today's policy of mass legal and illegal immigration. Again, contrary to the conventional wisdom, record high mass immigration numbers is not pro-immigrant. It is pro-business that wants a never-ending stream of cheap labor. And continued high numbers provides that cheap labor. In reality a reduced number of immigrants is actually *pro-immigrant* because it gives the new arrival the chance to assimilate and thrive and have the opportunity move up the economic ladder, unimpeded by millions of new wage competitors (legal and illegal) who arrive each year. It is this type of immigration and integration that benefits California, and the nation, as well.

The American immigration experience at the turn of the 20th Century was that of periods of high immigration followed by periods of low immigration that allowed for assimilation and integration. It is time, once again, to allow the social and economic assimilation process to work.

Issues:

Should the state be a proactive, lead partner with counties and community organizations by directly providing services to immigrants? Should the State create an entity such as an Office of Immigrant Assistance to provide specialized programs to immigrants, such as facilitating access to state programs?

California and other states with high immigrant populations are in the extremely unfair position of feeling the negative impact of an out-of-control immigration policy without having the ability to adjust that policy. In the past many state officials have dismissed concerns about the impact of immigration saying that it is a Federal responsibility. It is a Federal responsibility. But it is the states that experience the result of the policy. It is Californians who feel the impact of environmental damage due to overcrowding and sprawl: lowered wages, increased crime, declining schools and many other problems come with mass immigration. We do not blame all of our social problems on immigrants. That would be unfair and inaccurate. But it is fair to say that all of the problems that California faces today are made worse by high levels of immigration.

While California cannot make national immigration policy, neither can the state just sit quietly and devise taxpayer funded coping mechanisms. The State of California can be in the forefront of asking the Federal government to justify the high immigration numbers in terms of benefits to American citizens, all American citizens, not just the cheap labor lobby which derives the direct benefit of cheap wages but shoulders little, if any, of the social costs that are directly caused by their profit.

The issue of State funded (taxpayer funded) assistance to immigrants, including specialized services and access to state programs, should be considered in the context of what these additional services will cost the California taxpayer. Also, with high and continuous immigrant demand, what services will be less available to needy American citizens including the aged, handicapped, lower skilled and veterans?

We recognize that debates about allocating state funded services is not a zero sum game, in which every dollar that goes to provide services to immigrants means a corresponding loss somewhere else. We also acknowledge that immigrants do contribute through the taxes they pay. But clearly, the immigrant population in California is disproportionately depended on government programs and that these services have to be provided at some cost to the taxpayers and to other social priorities. Harvard researcher, George Borjas, estimates that mass immigration represents a \$1,300 annual tax liability to the typical California household.

Before we spend still more public money on the needs of immigrants, we must consider some alternatives. One method of assistance that is never considered is that of requiring the sponsor of the needy immigrant to honor his pledge to take care of that immigrant so that he does not become a public charge. The high level of immigration of the last ten years has produced a correspondingly high number of sponsors whose responsibility should be employed immediately when required. The sponsor's responsibility to take care of the immigrant should be the first consideration, not that of the taxpayer.

The entire role of assistance for immigrants seems more properly assigned to private charities that raise money for this specific purpose.

Should the State's role be more reactive by working with community organizations to address needs that are not met through programs or opportunities available to all residents?

Community based solutions are always desirable, so long as their focus is on solving problems, and not perpetuating them. Most of the "community organizations" dealing with the problems of immigrants are also immigration advocacy groups. In addition to dealing with the problems of individual immigrants, they are also in the business of promoting increased immigration and finding new "needs" for the taxpayer to respond to. Immigration oriented "community organizations" have a keen interest in perpetuating the flow of immigrants in need, and therefore have an inherent, and obvious, conflict of interest. Their very existence and income flow depends on bringing in new immigrants with new needs to be addressed.

Perhaps the State can play a role in encouraging support for charities and other community organizations that wish to provide assistance to needy immigrants. Tax relief, or tax credits for contributions to charities could be considered.

Taxing the end users of immigrant labor could be considered to offset the increased cost of immigrants using public services.

What barriers to immigrant self-reliance should the State address and how should the State best address those barriers?

The barriers to self-reliance for the legal immigrant are simple to recognize and simple to solve.

The first barrier, as previously stated, is the intense and unrelenting competition they face from mass legal immigration of over 1 million per year. The second barrier is simply not within our power to eliminate, which is why we need to look at our criteria for admitting immigrants. No one who comes here with a seventh grade education – which is the education profile of the largest group of immigrants to our state – is likely to be self-reliant. So long as there is such a mismatch between the education and the skills of the people who settle here, and the requirements needed to succeed economically, there is nothing that can be done to truly correct this situation.

An additional barrier is competition from illegal aliens who are working in our country, and our state, virtually free of any enforcement effort by federal immigration officers. Employer Sanctions, promised but never delivered, were a part of the 1986 IRCA Amnesty. The quid pro quo for that “one and only amnesty” was enforcement of employer sanctions to reduce the employment magnet to illegal aliens. In the fifteen years since Employer Sanctions became law they have been barely enforced, resulting in millions of illegal aliens working in almost every industry, competing for the very same jobs that legal immigrants can do and holding down wages at the same time. By enforcing employer sanctions, and ensuring that every worker in California has a right to hold that job, much of the competition for jobs and wages will be relieved allowing the legal immigrant benefit from job availability and higher wages.

A fourth barrier is language. Every effort should be made to encourage the rapid learning and usage of English. English, besides being the national language is, more importantly some would say, the language of the economy. The better English an employee speaks, the faster they move up the income ladder. This has always been true for citizens, and is true for immigrant workers as well.

Should the State differentiate between services to documented versus undocumented aliens?

California government should differentiate between legal and illegal aliens. Rather than coping with the needs of illegal immigrants, California should enact policies that discourage illegal aliens from settling here in the first place. In addition to the above specific recommendations on removing barriers there are other steps that can be taken to make our state less attractive to illegal aliens.

The State could make a commitment to enforce workplace health, safety and wage standards. It can enforce laws regarding document violations. It can maintain the ban on issuing drivers' licenses to illegal aliens. Obtaining a valid California drivers' license enables illegal aliens to avoid apprehension and assists in getting transportation to the job he illegally holds.

Enforcement cooperation between local law enforcement and federal immigration officials will prove a real deterrent to the illegal immigration in every community in which it is employed.

With an estimated 4 to 5 million illegal aliens living in California, this population represents a significant portion of the self-reliance and integration problem. Beyond those services that are required by law and basic human decency, California should provide nothing that encourages them to remain here. The more the taxpayer offers, the more illegal aliens we will attract and the more services we will ultimately be required to provide. The more we try to meet the “needs” of the illegal alien population, the further behind we will fall in our duty and commitment to citizens and legal immigrants because we will be attracting still more illegal aliens.

In spite of the fact that we believe that fundamental reforms need to be made to Federal immigration policy, we realize that we must recognize the needs of legal immigrants who settle in California. However, we must protect the taxpayer by setting limits. We take no position on the creation of an Office of Immigrant Assistance, but hold the very strong view that taxpayer funds allocated for the purpose of studying and/or assisting legal immigrant assimilation must be capped. Establishing limits to how much the state can spend is one way of creating incentives to limit the needs. Needs always expand to match resources, rather than the other way around.

It is a well-known economic principal that what you tax you discourage and what you subsidize you encourage. If the amount of money available to meet the needs of immigrants expands, the number of immigrants with needs will expand along with it. If we set limits on how much the State will spend, then we are forced to make rational public policy choices. We can either spend less on the needs of each immigrant, or we can set limits on immigration numbers. What we should not do with taxpayer dollars is make an open-ended commitment to meet whatever needs our mass immigration policies saddle us with.

Finally, we want to re-emphasize that the very fact this topic is being addressed by this body, seeking recommendations for the State government, means we are dealing with a failed national immigration policy and all the claims and assurances offered by the proponents of the current immigration policy have been meaningless.

The solutions to helping legal immigrants, who have honored us, and our laws, by legally coming to our country are obvious. To improve integration and self reliance the State of California can:

1. Lobby the federal government to reduce legal immigration and eliminate illegal immigration that result in intense economic competition for immigrant workers.
2. Encourage the rapid learning and usage of English.
3. Enforce sponsorship pledges to protect the taxpayer when a legal immigrant does need assistance.

4. Do not encourage the needs of immigrants by making taxpayer funded resources available.
5. Encourage community based, or faith based organizations to provide needed services. Provide tax incentives if possible.
6. Use California's enormous political and economic clout to pressure the federal government to develop a sensible immigration policy that benefits California, America and all Americans, not just the special interests that make \$billions exploiting cheap immigrant labor.

California is the largest state and the biggest economic engine in the country. If California demanded sensible changes in the current immigration policy other states would join in and eventually the federal government would have to respond. The alternative is more of the same: an ever-growing number of people requiring more services and more taxpayer money to pay for them.

California can be the leader in an historic change in national policy. We encourage California to be that leader. Thank you.